GEORGE HOBBIE - REX MERCANTILE COMPANY

As told during the program on The Great Depression, at the Petaluma Museum, July 16, 1990; and in conversation with Maxine Kortum Durney, February 14, 1991.

I was a young businessman, in business with my father: Rex Mercantile Company. We catered mostly to the poultrymen, small ten acres or so. We brought in special merchandise for them. Not much for the dairyman. We had hundreds and hundreds of accounts with small poultrymen. Things began to go down hill even before the 30's. The matter of credit came up. Chicken farmers had always paid once a month, then, "Mr. Hobbie, we can't pay you this month." Poultrymen learned they could get better prices for their eggs in the Fall, asked to be carried to the Fall.

We did, thousands of them, but we had to borrow to carry them. Then they came in the Fall and said, "We can't pay..." Their bills got bigger and bigger. We had large sums borrowed at the bank.

When we had hundreds of dollars out on a rancher, the feed dealers had thousands. They were smarter; they went out to seek protection, took mortgages on the ranches. We didn't. We had many ranchers who went through bankruptcy, and we lost thousands of dollars. Some did finally pay off. In the forties, prices began to go up again, and we built up our business again, but did not extend so much credit.

I have a 1931 newspaper article on the price of eggs, how elated the poultrymen were when a dozen eggs went from 18 cents to 21 cents. Three cents meant a great deal.

In the mid-thirties, the farmers were not paying their bills. Wholesalers would not carry us. We sent collectors out, like Sherman Boiven, who worked at it part-time. You owe us $500? How about $10? Farmers are not dishonest, and they were friends of ours.

I observed — I was in my early 20's — that other firms in town had the same problem. One day my father said the banker wanted us to come in to see him. He told us, "I have orders to collect, but if you will not borrow more, but pay 1% each month, I'll carry you." This was Al Behrens of the Bank of America. He was very considerate, but he said it was the parent bank that was pressing him.

We had about twelve employees. Two women as bookkeepers, and a woman who was in charge of selling in the household department.

Things were going badly. We had to cut our help in half. We said they could leave or work half time for half the salary. Not one chose to leave. They all stayed on at half pay and worked full-time. Our extreme times lasted about six month, but it took ten years to pay off our debt to the bank.

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We featured working with the poultrymen. In the early days we were known as Rex Mercantile Company. Park Van Bebber, Herbert Sweed, who was Philip Sweed's son, and my father went first into hardware, with the idea of going into groceries, feed and drygoods later. This was in 1907, the year I was born. They decided to stay with hardware only.

My father came from Kansas, hopped a freight, rode with the hoboes, coming to visit his uncle, his father's brother, who was a poultryman. His uncle got him a job with Schluckebier.

We were always good friends with Ludwig Schluckebier. When our building burned down in 1942, all that was left was four feet of ashes. He called me the next day: "You can take over our business, you can have it today; pay us off as you can later." I will never forget that telephone call. We said, "No."

We were underinsured, but we had property across the street, buildings that contained a tamale shop, a horse shoeing business and a barber shop. We started our business all over again there.

I was in the Navy by then, attached to Admiral Nimitz' command, but the Navy gave me a month off to help with the fire.

We started our business all over again.

* * *

My mother was a Lohrmann and grew up on a chicken ranch on Lohrmann Lane. Her father was German, her mother was Danish. For a while they grew cucumbers and cabbage, and turned them into dill pickles and sauerkraut, which they sold by the barrel to the markets in San Francisco.

My mother told me how her parents cut a pine tree for a Christmas tree, brought it into the house and put candles on it; and how people came from all around every year to see the "crazy" German people putting candles on their tree. When others began to do it, too, then they didn't have so many visitors.

When I was old enough to go to work my father made me learn all the phases. I swept the floor, I was a plumbing apprentice for a while, and I was bookkeeper for a year. My brother began taking over the business when I was nineteen because my father wasn't well.

We bought from the San Francisco wholesalers: Dunham, Carrigan and Hayden, Sloss and Brittain, and Baker Hamilton. Baker Hamilton were main suppliers. None of those companies exist now.

We bought poultry fencing by the carload, and sold a carload a year. We bought pipe by the carload and purchased brooders by the carload, first coal fired, then gas, then electricity. We had storage lots and warehouses.

We catered to the poultrymen, while Tomasini had the Italian dairy farmers. We sold egg buckets and egg scales, and later on automatic valves for their watering systems.

The wholesale salesman called on us every week. Their price was their price. We had salesmen who went out calling on the ranches. The poultry ranches were to the north and northwest. Hayfarmers to the east.

Saturday was a big day of work for us. Hitching rails were right where the plaza park is now, and across from us was McNears. Ranchers would come to town to sell eggs, load feed, and then had room for fencing, nails, pipe and fittings. They had networks of pipes all over their ranches. We sold a lot of builders' hardware and kitchen wares, too. We brought huge shipments of Bavarian China from Europe.

Every farm had to have water and a well. We started a well drilling business, had three well drilling rigs, and sometimes there was a drilling twenty-four hours a day. We sold Meyer pumps.

We had a plumbing business also. Charlie Seibel worked for us and Fred Jennings worked for us all his life. Our plumbing business was half our hardware business. We did the main houses all over town.

We did as much business as Schluckebier. Tomasini dealt with the Italian trade, all dairymen, and did not hit bottom as we did in the Depression.

REX Hardware carried cameras at one time.
This photo by Karl Kortum shows George Hobbie
behind the counter with an I KONTA B in 1939.

PETALUMA HISTORICAL MUSEUM
Oral History Program

Unconditional Release Agreement

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In addition to the rights and authority given to you under the preceeding paragraph, I hereby authorize you to edit, publish, sell and/or license the use of my oral history memoir in any other manner which the Museum considers to be desirable and I waive any claim to any payments which may be received as a consequence thereof by the Museum.

PLACE Petaluma, Ca.

DATE 2-25-91

George E Hobbs
(Interviewee)

Karin Dusen
(for the Petaluma Historical Museum)

PETALUMA HISTORICAL LIBRARY AND MUSEUM
Oral History Program
Narrator Personal Information Questionnaire

Name Hobbie George Ernest
Last **First** **Middle** **(Maiden)**

Address 31 Howard St
Petaluma, Ca

Marital status: **Married**___ **Single** X **Divorced**___ **Widowed**___

Birthdate 6-17-1905 **Birthplace** Petaluma, Ca.

Length of residence in Petaluma (or Sonoma County) 85 years

Education: Elementary school Petaluma Grannar Schools

Secondary school Petaluma High School **Grad**___

College Santa Rosa Business College **Grad**___

Other Alexander-Hamilton Institute

Occupation(s) or former occupations(s) Retail Hardware Business
Service in US Navy
Counselor for the US Small Business Administration

Travels Europe--Russia--South America--Mexico--South Pacific Islands-
Australia--China--Japan--Indonesia--Africa-Carribbean Islands

Organizations, clubs Masons--Odd Fellows--Sirs Pet. Organ Club

Other special interests Former Commanding officer of Pet. Naval Reserve
Active in Sonoma County Big Brothers movement
Secretary of Petaluma Properties Co.

Additional comments

THANK YOU!

PETALUMA HISTORICAL LIBRARY AND MUSEUM
Oral History Program
Family History Questionnaire

	Name	Birthdate	Birthplace	Deceased? Date
Parents*	Hanna Hobbie		Oakland, Ca October	1880 Deceased
	Ernest Hobbie		Tipton, Ka 1878	Deceased
Brothers & Sisters	###### Walter Hobbie			
Grand-parents*	John Lohrman		Maternal	
	Catherine Lohrman			
	Have no record of my fathers parents			
Spouse	none			
Children	none			
Grandchildren	none			

*Please include maiden name of mother and grandmothers.

THANK YOU!